

BOB W. OWEN
EXECUTIVE VICE PRESIDENT

RECORDATION NO. 9167-^A Filed & Recorded

JAN 9 1978-II 25 AM

UTICA
NATIONAL BANK & TRUST COMPANY

December 30, 1977

INTERSTATE COMMERCE COMMISSION

Office of the Secretary
Interstate Commerce Commission
Washington, D. C. 20423

RECORDATION NO. 9167 Filed & Recorded

JAN 9 1978-II 25 AM

INTERSTATE COMMERCE COMMISSION

Dear Sir:

There is enclosed herewith, for recordation, the original and two duplicate originals of a Mortgage on Tank Cars, and the original and two duplicate originals of a Security Agreement. It is requested that, after recording, the originals and any copies not needed to be retained by you, with filing data shown thereon, be returned to the undersigned.

RECEIVED
JAN 9 11 15 AM '78
CERTIFICATION UNIT

The following information in regard to the Mortgage is submitted:

Mortgagor:

Petroleum Equipment Company,
a Partnership consisting of
John L. Price and Lowry McKee,
General Partners
Suite 204, 525 South Main Street
Tulsa, Oklahoma 74103

Mortgagee:

Utica National Bank & Trust Company
1924 South Utica
Tulsa, Oklahoma 74104

Property Covered:

Thirteen (13) Tank Cars, I.C.C. Class
111A 100-W-1

General Description:

Thirteen (13) Tank Cars, described as
DOT (Department of Transportation)
Class 111A 100-W-1, 26,600 gallons
capacity, Serial Numbers SUNX 26,820
through 26,828 inclusive, 26,830,
26,831, 26,833, and 26,834 (formerly
SRDX 26,820 through 26,828 inclusive,
26,830, 26,831, 26,833 and 26,834).

8-009A087
JAN 9 1978

Date
Fee \$ 100

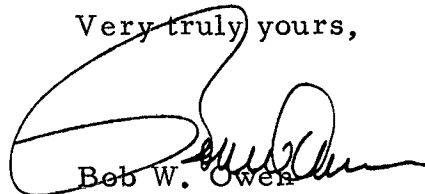
ICC Washington, D. C.

James H. Cumber
James H. Cumber

Office of the Secretary
Interstate Commerce Commission
Page 2

There is also enclosed our Cashier's Check No. 18225 in the amount of \$100.00 in payment of your fee.

Very truly yours,



Bob W. Owen

BWO:dt

Enclosures

(CONTRACT RIGHTS)

SECURITY AGREEMENT

RECORDATION NO. 9167 ^A Filed & Recorded
JAN 9 1978 - 11 25 AM

THIS AGREEMENT made on December 30, 1977 ^(Date) UNIVERSAL COMMERCE COMMISSION, between the

UTICA NATIONAL BANK & TRUST CO. OF TULSA (herein called "Bank") and consisting of JOHN L. PRICE and LOWRY McKEE, General Partners (as successor to and assignee of Captain Equipment Co., Inc., a corporation) (herein called "Borrower").

WHEREAS, Borrower desires to borrow from Bank the sum of NINETY-TWO THOUSAND AND NO/100

----- Dollars

(\$92,000.00) to be evidenced by Borrower's promissory note(s) payable to the order of Bank and Borrower desires to secure the payment of said indebtedness as evidenced by said note(s) and all other indebtedness, liabilities, and obligations of Borrower to Bank now or in the future made hereunder, now existing or hereafter incurred, matured or unmatured, direct or contingent, including any extensions and renewals or changes in form thereof whether acquired by Bank in the usual course of business dealings or otherwise; and in order to effect the security interest herein contemplated, the parties hereto intending to be legally bound agree as follows:

1. Borrower warrants that the office where it keeps the records concerning all of its accounts and contract rights is that appearing after Borrower's signature hereto, unless a different address has been specified in the following space:

Borrower will immediately notify Bank in writing of any discontinuance or any change in location of the place of business where the records concerning its accounts and contract rights are kept.

2. Bank will, from time to time hereafter, lend Borrower on the security of contract rights under the contract(s) described herein together with any other contract(s) added hereto by addenda, such amounts as Bank may determine and on such terms as Bank may specify. All such contracts hereinafter added hereto shall be subject to all of the provisions and agreements herein contained. All such loans shall be evidenced by notes in form satisfactory to Bank, bearing interest at the rate agreed upon from time to time by the parties and being payable as therein provided.
3. As security for the payment of the loan first described above together with all other loans now or in the future made hereunder and all indebtedness of Borrower to Bank now existing or hereafter incurred, matured or unmatured, direct or contingent, including any extensions and renewals thereof, Borrower hereby assigns and grants to Bank and agrees that Bank shall have a security interest in all moneys and claims for moneys due and to become due to Borrower under the following described contract(s):

All funds due and to become due under Agreement and Consolidation of Certain Agreements dated the 9th day of December, 1976, between Borrower, as Lessor, and Sun Oil Company of Pennsylvania, a Pennsylvania corporation, as Lessee, insofar as the same covers the operating, leasing and handling of thirteen (13) 26,600 gallon DOT Class 111A 100-W-1 Tank Cars, Serial Numbers SUNX 26,820 through 26,828 inclusive, 26,830, 26,831, 26,833 and 26,834 (formerly SRDX 26,820 through 26,828 inclusive, 26,830, 26,831, 26,833 and 26,834), and related and associated equipment;

and, in all moneys and claims for moneys due and to become due to Borrower under the particular contract(s) which have heretofore or are hereafter assigned by Borrower to Bank together with all cash and non-cash proceeds arising from Borrower's performance of all contracts now, heretofore or hereafter assigned and all proceeds of accounts receivable arising therefrom.

4. Bank shall have the right to notify the other party obligated on said contract(s) to make all payments thereunder direct to Bank, and Bank may take control of all proceeds arising from said contract(s) which rights Bank may exercise at any time whether or not the Borrower is then in default hereunder or was theretofore making collections thereon. The Bank's costs of collection and enforcement, including attorney's fees and out-of-pocket expenses, shall be borne solely by Borrower. All payments received by Bank pursuant to said assignments shall be applied when the funds are available against the principal and/or interest of any loans made hereunder and/or on Borrower's other indebtedness secured hereby, the order and method of such application to be in the discretion of Bank. Any portions of said payments which Bank elects not to so apply shall be paid over to Borrower.
5. Borrower will at all times keep accurate and complete records of Borrower's performance under said contract(s), and Bank, or any of its agents, shall have the right to call at Borrower's place or places of business at intervals to be determined by Bank, and without hindrance or delay, to inspect, audit, check and make extracts from the books, records, journals, orders, receipts, correspondence and other data relating to said contracts or to any other transactions between the parties hereto.
6. So long as any liability to Bank is outstanding, Borrower will not without the prior written consent of Bank borrow from anyone except Bank or pledge, or grant any security interest in, any account or contract right or any of its inventory, equipment, or other property to anyone except Bank, or permit any lien or encumbrance to attach to any of the foregoing, or any levy to be made thereon, or any financing statement (except Bank's statement) to be on file with respect thereto.
7. Unless Bank notifies Borrower in writing that it dispenses with any one or more of the following requirements, Borrower will:
 - (A) Inform Bank immediately of delay in performance, or claims made, in regard to any contract right assigned to Bank;
 - (B) Make no change in any account arising out of a contract right assigned to Bank, and no change in the terms of any such contract;
 - (C) Furnish to Bank all information received by Borrower affecting the financial standing of any party to a contract, the moneys due and to become due under which have been assigned to Bank;
 - (D) Pay Bank the amount loaned against any contract right assigned to Bank where the contract is cancelled or terminated;
 - (E) Execute any instruments and take any steps required by Bank in order that notice of the assignment of all moneys due and to become due under any contract with the United States or any department, agency or instrumentality thereof, which is assigned to Bank, shall be given to the Government as required by the Federal Assignment of Claims Act.

Any permission granted to Borrower to omit any of the requirements of this Paragraph 7 shall not be deemed to be a continuing waiver of any of the requirements of this paragraph unless so specified in writing by Bank, and any permission granted hereunder may be revoked by Bank at any time.